



DEPARTMENT OF THE ARMY  
HEADQUARTERS UNITED STATES ARMY FORCES COMMAND  
1777 HARDEE AVENUE SW  
FORT MCPHERSON GEORGIA 30330-1062

REPLY TO  
ATTENTION OF  
AFLG-PR

25 August 2000

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Contracting Information Letter (CIL) 00-38, Performance-Based Services Acquisition (PBSA)

1. References

a. Memorandum from Dr. J. S. Gansler, The Under Secretary for Acquisition and Technology, subject as above, 5 April 2000.

b. CIL 00-12, dated 14 Jan 00, subject: Performance Based Service Contracting.

2. As services are a significant component of what the Army buys, we must ensure that we acquire them effectively and efficiently. Performance-based work statements (PBWS) is the best method to accomplish the effectiveness and efficiency required to meet basic standards as defined by Subpart 37.6 of the FAR, i.e., to maximize performance, innovation, and competition, and offer lower cost. Performance-based acquisition strategies for services remain among our highest priorities.

3. Reference 1a above requires that each MACOM ensure that 50 percent of service acquisitions, measured in both dollars and actions, be performance-based by the year 2005. Our strategy to meet this requirement is as follows:

a. DOCs must continue to report PBSA statistics via Quarterly PBSA Report.

b. We will continue to collect and analyze data until such time that the DD350 is appropriately revised to collect the PBSA information. Once the DD 350 is revised (currently scheduled for FY 2001), we will shift the PBSA usage metrics and the associated analysis to reflect new criteria. Using the DD 350 to capture PBSA data will permit us to eliminate the current labor-intensive manual PBSA data submission and analysis. It will also allow us to develop a true management tool by refining our metrics and analyses. The new criteria is as follows:

(1) A procurement action will be considered PBSA if 80 percent of the estimated obligations conform to minimum PBSA standards.

(2) To the extent that a standard commercial service can be tied to performance requirements (FAR 12.202(b)), it will be considered PBSA.

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(3) Contract quality control systems may be substituted for required Government quality assurance plans, so long as they can be tied to measurable performance standards.

(4) The dollar threshold for reporting PBSA will be procurement actions with an estimated value over \$100,000.

c. In the near future, the PARC Office will offer a Train the Trainer Action Learning Workshop that will facilitate the development of a PWS and QASP and award of a contract within 60 to 90 days (details to follow in next PBSA CIL.).

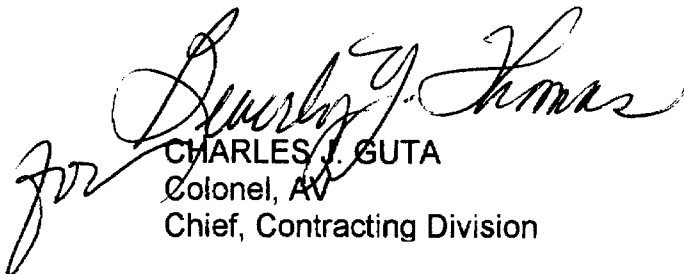
4. Reference 1a also requires that each MACOM certify that the core-contracting workforce is current in PBSA. The core-contracting workforce is defined as 1102's, 800's and FA 51Cs (formally FA 97s) involved in contracting. Current in PBSA training is defined as having completed the PBSA training offered by the Knowledge Management Center (KMC) (<http://216.4.82.41/cbe/???>) and either PBSA training offered by BRTRC Institute, Army's Road show V Module on PBSA (both or linked to the KMC site), or MSC, Inc., MOBIS Contractor, GSA Schedule (training workshop sponsored by the PARC Office in Jan and Apr 00). DOCs are required to provide the following information in accordance with annotated suspense dates.

(1) Provide interim PBSA training status of core-contracting workforce to this office not later than 8 Dec 00. This may be limited to the names and categories (1102, 800, FA 51C) of those enrolled in any of the courses.

(2) Provide final PBSA training status to include all names, categories and completion dates of all core-contracting workforce to this office not later than 1 Jun 01.

5. Reference 1b requested that each DOC provide a POC for PBSA issues. To date we have received only three POCs; Forts Campbell, Riley, and the AACC. We are looking at and requesting data on a number of PBSA issues. Please provide a POC not later than 30 Sep 00 (FORSCOM Contracting Homepage for CIL 00-12).

6. You may contact Julie Grace, [gracej@forscom.army.mil](mailto:gracej@forscom.army.mil) or DSN 367-5690.

  
for CHARLES J. GUTA  
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